GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3916
ANSWERED ON:17.08.2000
DECONTROL ON UREA
T.M. SELVAGANAPATHI

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government are considering to remove distribution control on urea;

(b) if so, the reasons therefore;

(c) whether the Government has decided to control the fixation of maximum retail price of urea for another four years;

(d) if so, the details thereof;

(e) whether new fertilizer policy which aims at phased decontrol of fertilizer industry bring it in line with the WTO requirements; and

(f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS)

(a) to (f) : Urea is the only fertilizer which is at present under statutory price, distribution and movement control. Keeping in tune with the policy of economic liberalization and reforms, Government intends to move towards ultimate decontrol of fertilizer sector in a phased manner after taking into account its fiscal capacity on the one hand and simultaneously making fertilizers available to the farmers at a reasonable price on the other. As per the existing policy, there is a uniform selling price for urea throughout the country.

While finalising the Long Term Policy for the fertilizer sector, the obligations under WTO would also be kept in view.